

Debtors' Statement of Disputed Issues

EXHIBIT H



3 December 2004
Mr Paul Pollack
Delphi Consumer Electronics
1441 West Long Lake Road
PO Box 5090
Troy
MI 48098-5090

Dear Paul,

We must inform you that after serious consideration on the current and forecasted financial performance of the Delphi Matchbox program, Celestica senior management has concluded that the company can no longer support the financial losses associated with this program. Consequently we must hereby give notice to terminate our manufacturing agreement on the Matchbox program with Delphi. The decision to terminate has not been taken lightly at Celestica however after careful consideration of all the facts we can find no other recourse.

During our November 18, 2004, meeting we outlined to you and the Delphi Matchbox Team that Celestica had invested over \$2.7M which was not being recovered in our sell price and that it was necessary to revisit the unit cost. It was stated at that time that it was not possible for Delphi to consider a price increase and that Delphi expected Celestica to work the issues and honour the last quoted sell price. Celestica did take on board Delphi's comments however the outcome of our analysis is that we are unable to make any significant cost reductions that would influence our decision to discontinue manufacturing the Matchbox product. We have attached an appendix that shows our current cost of producing product in Toronto and also the cost of building Matchbox in Mexico. The Mexico pricing makes no financial contribution to the business and we obviously can not plan to build this product on a break-even, or less, basis. As clearly illustrated in the appendix, retaining the current sell price in Mexico drives a loss of over \$2.218M in 2005 and by including the Toronto losses of over \$5.733M we are forecasting a loss on the Matchbox program of over \$7.95M. As much as we value our relationship with Delphi PSS we cannot continue to absorb these losses on the Matchbox product.

Celestica is willing to continue to manufacture and transfer the production of Matchbox to Mexico with your agreement to a new sell price in the range of \$91.85 to \$95.50. Should this not be agreeable to Delphi we would of course assist Delphi in transferring the product to an alternate supplier and honour our committed orders should this be your wish.

Celestica does not hold Delphi directly accountable for the "off target" Matchbox unit cost, but we do have a responsibility to our shareholders to deliver acceptable returns for our investments. The return on the Matchbox program at Celestica, to date, is nonexistent and represents a less than favourable investment for our shareholders.

We trust that Delphi PSS understands Celestica's financial predicament on Matchbox and that we can work with you and your Team quickly and professionally towards a suitable disengagement plan.

Yours sincerely,

Stewart D Taylor
Celestica Inc

cc Delphi Jeremy Halford, Jin Palmer
Celestica Doug McDougal, Dave Tiley, Dana Coin, Greg Allen, Michael Homer,
Mark Ogden, Danny Lee, Ron Cosper, Kevin Graham, Mark Kuess